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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

In the Matter of:
Lincoln Post Office
Lincoln, Iowa

Docket No. A2011-62

UNITED STATES POSTAL SERVICE <u>COMMENTS REGARDING APPEAL</u> (October 31, 2011)

On August 31, 2011, the Postal Regulatory Commission (Commission) received an appeal (the Petition) postmarked August 24, 2011, from a group of postal customers who are citizens of Lincoln, Iowa (collectively, the Petitioners), objecting to the discontinuance of the Post Office at Lincoln, Iowa. On September 9, 2011, the Commission issued Order No. 845, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). The Commission received no additional written communications from customers of the Lincoln Post Office. The Petitioners did not file a Form 61 or initial brief in support of the petition. In accordance with Order No. 845, the administrative record was filed with the Commission on September 21, 2011.

The Petition raises two main issues: (1) the Petitioners disagree with the Postal Service's criteria for deciding whether to close a Post Office; and (2) they question the adequacy of the alternatives through which the Lincoln community will continue to receive postal services. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the

Postal Service's statutory obligations and Commission precedent,¹ the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. Accordingly, the determination to discontinue the Lincoln Post Office should be affirmed.

Background

The Final Determination to Close the Lincoln, IA Post Office and Extend Service by Rural Route Service (FD), as well as the administrative record, indicate that the Lincoln Post Office provides EAS-55 level service to 74 Post Office Box and general delivery customers; retail service is available 40.5 hours per week. FD at 2. The postmaster of the Lincoln Post Office was promoted on January 12, 2002, leaving a vacancy. A noncareer employee was installed as the temporary officer-in-charge (OIC).

The average number of daily retail window transactions at the Lincoln Post Office is twenty-two, which accounts for an average daily retail workload of twenty-nine minutes. Revenue has generally been low: \$14,085 in FY 2008 (26 revenue units); \$14,020 in FY 2009; and \$13,807 in FY 2010. FD at 2. The Lincoln Post Office has no meter or permit customers. FD at 2.

Upon implementation of the final determination, the noncareer OIC will be reassigned to another location or separated from the Postal Service, and delivery and retail services will be provided by the Gladbrook Post Office, an EAS-16 level office located seven miles away, and by rural route service administered through the Gladbrook Post Office. FD at 2, 5.

2

¹ See 39 U.S.C. 404(d)(2)(A).

The Postal Service followed the proper procedures which led to the posting of the FD. All issues raised by the customers of the Lincoln Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to delivery customers of the Lincoln Post Office. Proposal to Close the Lincoln, IA Post Office and Extend Service by Rural Route Service (PD) at 2. Questionnaires were also available over the counter for retail customers at the Lincoln Post Office. PD at 2. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22. In addition, representatives from the Postal Service were available at Lincoln Amvet Home for a community meeting on April 19, 2011. PD at 2. Customers received formal notice of the proposal and final determination through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Lincoln Post Office and the Gladbrook Post Office from May 6, 2011 to July 7, 2011. PD at 1. The FD was posted at the same two Post Offices starting on August 15, 2011, as confirmed by the round-dated FD cover sheets that appear in the administrative record.

In light of the postmaster vacancy, a minimal workload, low office revenue, the variety of delivery and retail options (including the convenience of rural delivery and retail service), and the need for more operational efficiency, the Postal Service issued the FD. FD at 2. Regular and effective postal services will continue to be provided to

the Lincoln community in a cost-effective manner upon implementation of the final determination. FD at 2, 6.

Each of the issues raised by the Petitioners is addressed in the paragraphs that follow.

Post Office Closure Criteria

The Petitioners state that they "disagree with how the Postal Service is determining which post offices to close." Petition at 1. Specifically, they state that the Postal Service is "closing post offices that do not have a postmaster" and express their belief that "[t]his does not make sense and is very unfair to postal customers." Petition at 1.

The Postal Service's decision to close the Lincoln Post Office is not based solely on the vacancy of the office's postmaster position. As explained in the Final Determination, when there is a vacancy in a small office, it is customary to conduct a study of the office's business activity and investigate the feasibility of providing service by alternate means. FD at 3. Nonetheless, the decision to actually close a particular office is based on more than just a vacancy. The Final Determination and the administrative record show that the Postal Service's decision to close the Lincoln Post Office was based on several factors, including the office's minimal workload, low revenue, the availability of other retail and delivery options, and the need for more operational efficiency. FD at 2. The administrative record shows that the Postal Service properly followed all of the applicable procedures in deciding to close the Lincoln Post Office.

Adequacy of Alternatives

The Petitioners question whether the alternative means through which the Lincoln community will continue to receive postal services will be sufficient. For example, they "foresee inconveniences in purchasing money orders and stamps, and sending accountable mail." Petition at 1. They have "the same concerns regarding the receipt of accountable mail, such as certified letters, registered letters and CODs." Petition at 1.

The Postal Service has considered the impact of closing the Lincoln Post Office upon the provision of postal services to Lincoln customers. Some customers will be able to travel to the Gladbrook Post Office to access postal services. For customers who are not able to travel to the Gladbrook Post Office, postal services can be provided by a carrier. Most transactions do not require meeting the carrier at the mailbox; for example, Stamps by Mail and Money Order Application forms are available. FD at 2. The carrier will be able to accept any letters or packages for mailing; the carrier will estimate the cost and provide a receipt for any money received, and on the following delivery day, the carrier will provide change or a bill for the amount over the estimate. FD at 3. The carrier will make delivery to a roadside mailbox close to customers' residences, and, in hardship cases, the carrier can make delivery to the home of a customer. FD at 2.

Thus, the Postal Service has properly concluded that all Lincoln customers will continue to receive regular and effective service via rural route service.

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Lincoln Post Office on the provision of postal services and on the Lincoln community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that, after the discontinuance, the Postal Service will continue to provide effective and regular service to Lincoln customers. FD at 5. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Lincoln Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Lincoln Post Office be affirmed.

Respectfully submitted,

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